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II. UNFPA: REPORT OF THE EXECUTIVE DIRECTOR AND PROGRAMME-LEVEL ACTIVITIES

A. Annual report of the Executive Director

1. The Executive Director introduced the annual report of UNFPA for 1994 (DP/1995/24(Part I)). She reviewed selected financial and programme highlights, including information on income levels for 1994 and the projected resource situation for 1995. She emphasized that the Fund had increased its programme delivery considerably in 1994, noting a 50 per cent increase in project expenditure and a substantial increase in the resource utilization rate (from 77.5 per cent in 1993 to 90.6 per cent in 1994). She noted the Fund's commitment to improving the monitoring and evaluation of UNFPA programmes, and underlined the Fund's participation in the United Nations Joint and Co-sponsored Programme on HIV/AIDS.

2. Numerous delegations welcomed the substantive and analytical report. Many noted that the report clearly showed UNFPA participation in the post-ICPD process, as well as its commitment to translating the recommendations of the Programme of Action into actions at the country level. Several delegations noted with satisfaction the technical consultations with the relevant funds and specialized agencies, notably International Labour Organization, World Health Organization, United Nations Educational Scientific and Cultural Organization and United Nations Children's Fund. Several noted, however, that the regional post ICPD consultation on Africa seemed to raise numerous questions but did not provide answers. Several others commended the section on Africa as a good analytical model to emulate.

3. A number of delegations welcomed the 20.8 per cent increase in income over that in 1993 and were pleased with the reduction in carry-forwards and the increase in the resource utilization rate. Several delegations noted that it was important for UNFPA to ensure that it had the capacity to manage these increased resource flows effectively. In that regard, a number of delegations welcomed the Fund's efforts to enhance the managerial skills of its staff through training and to increase the use of information technologies to improve databases and management information systems. Many also welcomed the Fund's efforts to strengthen its internal management audit capability.

4. A number of delegations expressed concern at the small decrease in the proportion of allocations to priority countries and sought clarification as to the reasons for that. One asked if the large carry-forward had distorted the ratio; another asked if the UNFPA intercountry programme had contributed to this decrease. Several others asked why the Fund's distribution of resources did not reflect the fact that over 50 per cent of the Fund's priority countries were in Africa.

5. A number of delegations welcomed the increase in national execution and encouraged the Fund to continue the trend in future. Several asked, however, why the proportion for 1993 was lower than that in 1994. One delegation asked if UNFPA included projects executed by national NGOs in its figures on national execution. Several others asked why the proportion for UNFPA execution was substantial.

6. Several delegations welcomed the open discussion in the document on evaluation. One agreed with the evaluation of the Fund's technical support services/country support team system, which was found to be a major improvement over the previous system of regional advisers. He noted that that kind of review should lay the basis for strengthening the Fund's technical input in designing and implementing country programmes. Several delegations emphasized the need for a results-oriented approach to evaluation; others asked how UNFPA followed up on its evaluations.

7. A number of delegations, citing the findings of the evaluation on the local production of contraceptives, noted that the production of contraceptives locally was one of the most effective ways of helping countries to become self-reliant in the area of contraception. They therefore encouraged UNFPA to continue to support such activities by providing both financial and technical support. One delegation asked if UNFPA should not redefine its role in that area, playing the role of facilitator rather than supporter and bringing together investors from different sectors, including the private sector.

8. The Executive Director thanked delegations for their comments on the report. She agreed that it was important for UNFPA to manage resource flows effectively and to improve monitoring and evaluation. That was one of the main reasons why the Fund planned to establish a programme audit as part of its monitoring system. She further agreed that evaluations should be results-oriented and include both qualitative and quantitative indicators in order to measure programme impact and achievement.

9. The Deputy Executive Director (Programme) explained that the decrease in the proportion allocated to priority countries was due primarily to political instability in a number of these countries. In many cases, the Fund had formulated projects and prepared to implement them but could not because of the political situation in some of the countries. The Executive Director added that the Fund at times had to re-allocate resources from countries that were experiencing difficulties to those that were successfully implementing their programmes. She noted that the intercountry programme was not a factor in the decrease in the proportion to priority countries since the figure for priority countries was expressed as a percentage of country programme allocations.

10. The Executive Director stressed that Africa was indeed of particular concern to UNFPA. That could be seen in the dramatic increase in UNFPA resources, in both absolute and percentage terms, to Africa over the past decade. In 1984, allocations to Africa accounted for less than 19 per cent of the Fund's total allocations and amounted to $25.0 million. In 1994, those figures were, respectively, 31.1 per cent and $86.5 million. The corresponding figures for Asia were 46 per cent and $61.3 million in 198% and 31.5 per cent and $87.7 million in 1994. Moreover, the Fund's proposed work plan for 1996-1999 projected a substantial average annual increase for Africa over the work plan for 1995-1998, from $53.9 million to $72 million.

11. The Executive Director noted that the questions raised during the regional consultation on Africa provided a good example of the complexity and sensitivity of the issues facing Africa and how to address them. She noted that the dialogue with government officials on these sensitive issues had been an extremely fruitful one and had pointed out the vital role of advocacy in the Africa region. She stressed therefore that the questioning process in and of itself had been a useful exercise.

12. The Executive Director noted that the figures for national execution did in fact include projects executed by national NGOs. She thought it might be useful therefore if in future UNFPA gave the breakdown for execution for national NGOs. She said that there were two reasons for the difference in the percentages between 1993 and 1994. The first was that the figure for 1994 was an allocation and the figure for 1993 was an expenditure. The second was primarily the result of an accounting procedure. She explained that UNFPA execution included a substantial amount of procurement of commodities and equipment for government-executed projects. It therefore was not UNFPA execution per se, but procurement assistance to Governments.

13. With regard to the local production of contraceptives, the Executive Director explained that UNFPA was redefining its role in that area. She said that the Fund did not have the technical capability to provide technical assistance for such activities and thus was in the process of identifying agencies and organizations that could. She said that the Fund would support activities in that area provided they were totally underwritten by governments and/or other donors, including the private sector.